

Strategies for Improving Management in Hotels on the Romanian Coast

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Abstract

Before a travel company can do business, before it can market its tourism product, before it can even plan its tourism product, it must first plan its strategy. Decisions about the type of business the company wants to be in, the market segments it wants to follow and the type of tourism products it wants to develop for the market must be carefully planned in the form of a strategic plan.

The general strategic method presented in this article is a standard strategic planning cycle and a classic approach to strategy. However, it should be noted that the success of a strategy depends on the accuracy of many of the analyzes contained in the plan. Much of the analysis involves forecasting, and the future is notoriously unpredictable. Moreover, the classical approach presupposes a special rationality of those who work in tourism organizations on which it cannot always rely.

Key words: tourism, management, hotels, performance

J.E.L. classification: L66, L83, O18

1. Introduction

In recent decades, the application of management as a term and as a practice has moved decisively beyond business and even public administration, to various organizations, including hospitals, universities and museums, and has even penetrated everyday life - a development that some authors they usually referred critically to "managerialism." Most authors looked at management from their own points of view and, during the evolutionary process of management, different thinkers focused on different expectations.

Today, management is a universal phenomenon. It is a very popular term and widely used. All organizations - business, political, cultural or social are involved in management, because management is the one that helps and directs various efforts towards a defined goal.

This article provides an overview of organizational management and strategy in tourism. Without strategy, organizations are susceptible to a strategic drift - a consequence of the failure to monitor and respond to changes in the external environment. Organizations that do not use strategic planning tend to make ad hoc decisions and are more reactive.

According to Johnson and Scholes, "Strategy is the direction and scope of a long-term organization that gains an advantage for the organization by configuring resources in a changing environment to meet market needs and meet stakeholder expectations." Managerial strategies can be undertaken by the full range of organizations in the tourism sector.

2. Literature review

Management means "studying the management process in order to systematize and generalize concepts, laws, principles, rules, and the design of new systems, methods and techniques to contribute to increasing the efficiency of activities to achieve objectives."

Management is defined as a process in which the manager operates with three essential elements, namely: ideas, things and people. This process aims to achieve the proposed objectives through other people.

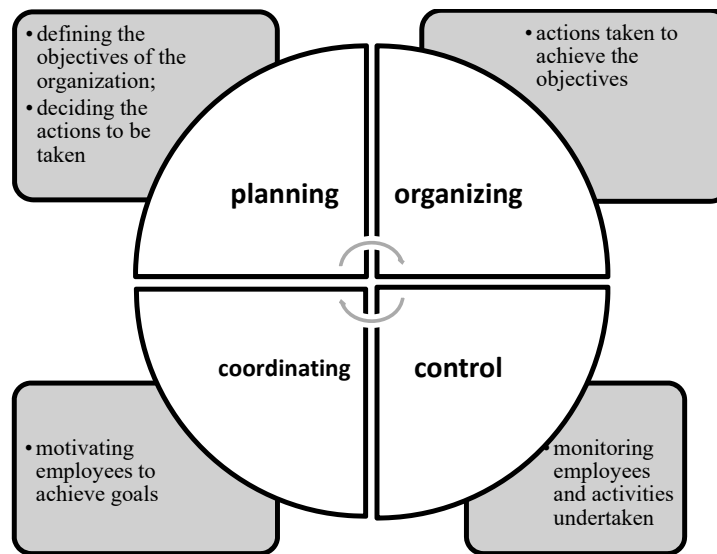
Another definition is that “management is the art of doing things through/and with people in formally organized groups, the art of creating an environment in such an organized group in which people can perform as individuals and yet cooperate, in order to achieve the group's objectives, the art of eliminating roadblocks to performance, the art of optimizing efficiency in achieving objectives effectively”. Thus, there is a need to introduce appropriate scientific managerial practices in the activity of enterprises, in order to act against the growing pressures faced by the tourism industry, infrastructure and investment.

As an integrated part of management, tourism management refers to everything related to the hospitality and tourism industry. It offers extensive training opportunities for leading positions in the tourism, accommodation and food industries. Tourism management may also include working in associations or agencies that are directly involved in tourism services.

Each organization, regardless of size or environment in which it operates has developed and implemented its own management concepts so that it works smoothly and achieves the vision, purpose and objectives it has set. As such, the basic functions of management, divided into four different areas, allow it to manage strategic, tactical and operational decisions (Becherel, L. and Cooper, C., 2002).

The four functions of management are: planning, organizing, coordinating and controlling (fig. 1)

Figure no. 1. Management functions



Source: Authors' contribution

• **Planning**

Planning is the basic component of all management functions. It is the foundation on which the other three areas should be built. The planning aims to assess the position of the company in the present and where it would like to be in the future. At this stage of planning, an appropriate action plan is established and implemented to achieve the company's objectives. (Robbins, 2007, p. 276).

Planning involves making decisions and choosing between alternative courses of future action. It also sets standards for control and provides a rational and fact-based procedure for decision-making. Planning offers greater chances of success, focuses on the organization's goals and helps to adapt to the changing environment. Objectives and plans can become the standard against which performance measurement can be made. (Robbins, 2007, p. 279).

Further planning is necessary to set specific objectives. Managers need to develop an elaborate network of organizational plans to achieve the overall goals of their organizations. After that, managers establish the premises or assumption on which the action statements are built. Next, managers decide how to move from their current position to their goal or in the identified area. They develop an action statement detailing what needs to be done, when, how and by whom. The quality and success of any planning depends on the quality of the assumption on which it is based throughout the planning process, the assumptions monitored and updated.

- **Organizing**

The organization includes occupying the positions in the structuring of the organization and the management of human resources. The organizing process involves designing and developing the structure of relationships between team members or the group designated to perform the planned task. It also includes the work of occupying and maintaining positions in the organization. If the available human resources do not match the skill set for the company's strategy, then the organization is responsible for hiring additional staff or training existing resources (Cornescu, Mihailescu, and Stanciu, 2003, p. 23).

- **Coordination**

Leadership refers to the process of motivating, directing and guiding the people in the organization to carry out their activity according to plans and objectives. The leader plays a crucial role in organizing the business. A leader is the person who guides the staff towards a common goal and motivates them to achieve it. Every organization needs efficient management to make full use of staff skills in order to achieve business objectives (Marinescu, 2003, p. 27).

Leadership is important in any organization, the leader being the one who determines the success or failure of an organization and therefore the company should be able to optimize the performance of its employees, the performance of the organization will get satisfactory results if there is good communication, an effective management and motivation. Effective management should provide direction for all employees' efforts to achieve organizational goals. Without leadership, the relationship between individual goals and organizational goals may not be one-way.

- **Control**

Management control is a process in which the organization strives to achieve the planned or desired results, or "performance". In doing so, organizations can take various actions to minimize the negative effects arising from the external and internal environment. Management control is a method of managing the organization's performance. (Giraoud, Zarlowski, and Saulpic, 2011, p. 167).

The control process is not a linear process. The essence of the control is not to "assess" whether the planned objectives have been achieved or not, but to monitor progress towards the objectives. This progress is not determined at the end of the planning period, but rather during the implementation of the organization's plans. (Giraoud, Zarlowski, and Saulpic, 2011, p. 169).

Finally, control from the manager's point of view covers the whole business. The manager must be able to report all aspects of the business, gather information from all departments and correlate these activities so as to complete the company's action plan as specified.

In order to improve the management, in the field of tourism, as well as in the other fields, it is necessary to realize a managerial strategy. The improvements of the management constitute a continuous necessity as a result of the evolution of the Romanian companies in the context of the major changes that each one has to face, reason for which we analyzed the possible development strategies.

The term of a strategic management officially entered the theoretical language in 1973, during "The First International Conference of Strategic Management" which was organized by I.H. Ansoff at Vanderbilt University. Today there is no unanimity of perspectives on the definition of the term strategic management and strategy, thus, we encounter a variety of definitions given to the term strategy.

Hofer G. and Schendel D. (1979), define the strategy as "the fundamental structure of the development (representation) of present and projected resources and interactions with the environment that indicate how the organization will achieve its objectives." A little later, Brian Quinn presents the strategy as "a model or plan that integrates the major goals of the organization, policies and action sequences into a coherent whole" (Freeman, 1984, p. 245). There are four key elements of the strategy:

- Mission: It determines what an organization is trying to achieve and provides the purpose and direction of the strategy;
- Strategic analysis: It provides information to an organization about the strengths and weaknesses of its internal resources and the obvious opportunities and threats in its external environment;
- Strategic choice: this is where an organization generates, evaluates and chooses an appropriate strategy;
- Strategic implementation: This shows how an organization implements its strategy.

It is difficult for an organization to formulate a strategy without a clear idea of its overall purpose. The mission of an organization can be thought of as what the organization is trying to achieve; what is its purpose and objectives and where it is trying to move in the medium and long term. Objectives can be written in a closed or open form. Closed targets describe quantifiable targets and should be in line with SMART principles and thus be: specific; measurable; agree with those who need to touch them; realistic and quantifiable.

The next step in formulating the corporate tourism strategy is strategic analysis. This involves taking into account the major influences that affect the organization's ability to fulfill its mission in terms of resources and environment. Strategic analysis reports on current and future strengths and weaknesses and opportunities and threats (SWOT) that the organization is facing. (Kotler, 1991).

Strategic choice refers to the generation of strategic options, to an evaluation of strategic options and the selection of the strategy. In simple terms, an organization seeks to gain an advantage over its competitors either by selling a product cheaper than the competition, or a product that is better than the competition, or a product that is cheaper and better. These are the key strategic options available. During any phase of the strategic review, a number of strategic options will be generated from the strategic analysis. The preferred option will pass the adequacy, feasibility and acceptability tests. (Atkinson, Berry, and Jarvis., 1995, p. 173).

The agreed organizational strategy will generally be set out in a formal document, and the effort should then be geared towards strategic implementation. This stage involves translating a strategy into a series of operations and objectives with clear performance objectives. Resource planning is a crucial part of strategic implementation. Thus, it is necessary to plan financial, human, technological resources, etc.

3. Research methodology

For the research carried out in this article, we chose one of the large hotels located on the shores of the Black Sea to present an example of a strategy for improving tourism management. Hotel Zodiac is located in Tabăcăriei Park, in the northern part of Constanța, in the immediate vicinity of Mamaia resort.

The hotel is a large organization composed of several different departments, each department having its own set of objectives, rules and methods of operation. But, although each department functions as an individual unit, they are not autonomous. Departments are a cohesive set of units that all strive to achieve common company goals. Thus, within the guidelines of the corporate plan, a hotel management strategy was developed to target each department and at the same time the organization as a whole.

Hotel Zodiac is an accommodation-restoration unit that has been designed for those people who want something special and new when they are looking for tourist stays, as well as for business people, who want to organize various events, seminars, conferences, private receptions, exhibitions, fashion shows or concerts. The hotel has in its structure a restaurant, located in the basement of the building, a cafe, located on the ground floor of the unit, as well as a conference room, located on the fourth floor of the building.

For food and catering services, the company has a cafe, located on the ground floor of the building, with a capacity of 40 seats and a restaurant, located in the basement of the building, with a capacity of 150 seats. For accommodation services, the hotel has a number of 19 rooms, with a total of 38 accommodation places. Of these, two are apartments, six rooms are twin and 11 rooms are with double bed. All accommodation is arranged on three floors. The unit also has a conference room with a capacity of 30 seats. This service is on request.

Thus, we presented in this article, through the method of observation, the current strategy of the organization and some suggestions for improving it.

Regarding the establishment of the hotel's objectives, on all levels, I chose to use a more complex way of establishing all the activities and areas of the foundation, in order to perform a complex examination that allows the detachment of all fundamental objectives, which are the major components of global company policies.

The EFQM model is a tool used to perform a complete, systematic and ongoing examination of an organization's activities and results, by comparing it with a performance model called a self-assessment model. The EFQM model is based on the principle of customer satisfaction, staff satisfaction and integration into the life of the community and how results are obtained through leadership, policy and strategy, staff management, resources and processes. All this ultimately leads to excellent operational results.

In order to formulate proposals to improve the company's management strategy, we first defined the company's mission and performed a SWOT analysis.

• **Mission**

The hotel organization's mission is to satisfy tourists by offering the highest quality services where the perfect harmony between the elegance of modern architecture and British sophistication is combined with the warm and pleasant atmosphere, given by the four-star comfort of the hotel to pamper tourists., from the first to the last moment of their stay.

• **SWOT Analysis**

Within the organization, the identification of weaknesses was done with the help of SWOT analysis. This type of analysis is used both to evaluate certain activities within the project, optimizing their potential and risks, to decide which is the most appropriate way to minimize them.

The SWOT analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> ➤ Autonomy and stability; ➤ Large production and sales capacity; ➤ Increasing the number of employees; ➤ Satisfying the needs of consumers at a high-quality level and in conditions of economic efficiency; ➤ Observance of classification norms; ➤ Existence of a management strategy; ➤ Cleanliness and pleasant appearance of the rooms which are spacious and airy; ➤ Providing quality services; ➤ Professionalism of the employed staff; ➤ Existence of a conference room; ➤ Offering breakfast; ➤ High level quality services at the restaurant level; ➤ Using communication strategies. 	<ul style="list-style-type: none"> ➤ Excess and waste of food in the restaurant; ➤ Offering hotel services similar to the others existing in the area; ➤ Lack of a flow of services; ➤ Lack of adaptability and reliability to the market; ➤ Lack of a larger number of new customers; ➤ High costs of management strategies; ➤ Shortening the summer season; ➤ Targeting customers.
Opportunities	Threats
<ul style="list-style-type: none"> ➤ Developing and maintaining functional managerial relationships; ➤ Rationalization of differences by reducing the service provider; ➤ Allowing a flow of services in such a way that no part of the system is overloaded; ➤ Developing strategies to better understand the client and his expectations; ➤ Modernization of services and adapting to the modern market requirements; ➤ Diversification and customization of stay offers; ➤ Complexity and quality of infrastructure. 	<ul style="list-style-type: none"> ➤ Existence of high market competition and market pressure; ➤ Finding, retaining and keeping people can contribute to increasing the competitiveness of organizations and has become a crucial factor; ➤ Impossibility to diversify the clientele; ➤ Productivity is threatened by factors such as: weather conditions; increasing customer desires and needs; decrease in the number of tourists, etc.

In Table 1 are presented the main indicators of performance of the hotel in the period January 2018 - December 2020.

Table no. 1. Main indicators of hotel performance

Indicator name / Year	2018 (01.01 - 31.12)	2019 (01.01 - 31.12)	2020 (01.01.-31.12)
Annual net turnover (lei)	1.891.789	2.768.122	1.617.487
Average number of employees (people)	18	26	25
Labor productivity (lei / person)	105.099,39	51.968,84	64.699
Profit (lei)	413.588	-153.328	-209.748
Commercial profitability (%)	21.86%	-	-
Salaries (lei)	281.691	242.726	412.748
Average salary earnings (lei / employee)	1.304,13	1.064,59	1.377

Source: Authors' contribution

In Table 2 is presented the business management analyze of Hotel Zodiac in the EFQM base model.

Table no. 2. Analysis of business management in the hotel Zodiac

Categories	Actions taken
Human resources	<ul style="list-style-type: none"> ➤ recruitment, selection, training and management of staff; ➤ capitalization to maximize the potential of every person employed on the basis of a rigorous selection; ➤ the important role in building the company's image.
Leadership	<ul style="list-style-type: none"> ➤ manager's work is characterized by flexibility, adaptability and creativity; ➤ leaders have as main objective the development of the mission, vision, values and ethics that play the role of models of the culture of excellence; ➤ promoting strategic activities specific for improving relations with clients/beneficiaries
Policies and strategy	<ul style="list-style-type: none"> ➤ creating policies and strategies based on information obtained by measuring performance, research, learning and related external activities; ➤ permanent improvement of the market approaching technique and of the tourists.
Processes	<ul style="list-style-type: none"> ➤ use of suitable methods for implementing the changes.
Results in relation to consumers	<ul style="list-style-type: none"> ➤ development and on other segments of the market; ➤ improving the resolution of complaints.
Results in relation to employees	<ul style="list-style-type: none"> ➤ providing feedback's; ➤ providing an increased focus on requests submitted by employees.

Source: Authors' contribution

Correlations between elements of the EFQM Model that relationships cause and effect are the true ones that make the whole system of management to operate the better results, successful sustainability and adaptability; so the hotel succeeds in maintaining the position and to meet their objectives.

4. Findings

Following the results obtained, there have been proposed the following objectives which are to be made on the managerial level at hotel Zodiac (table 3):

Table no. 3. Strategic objectives of Zodiac Hotel's management

Structures	Objectives
Processes	<ul style="list-style-type: none"> ➤ increasing the productivity of the employed staff; ➤ adapting the equipment and apparatus used in daily activities; ➤ opening a new working point of the unit
People	<ul style="list-style-type: none"> ➤ developing the client portfolio; ➤ improving customers and to employee's satisfaction;
Policy	<ul style="list-style-type: none"> ➤ increasing the market share by 5%; ➤ increasing the level of environment protection; ➤ improving the quality of services provided.

Source: Authors' contribution

Establishing the needed resources in order to achieve the objectives proposed is a very important step in the process of drafting the strategy of development of the company. There is a major probability that in the framework of this process to occur major difficulties, especially in terms regarding the aspects of quality and the connection to the culture of the organization (table 4).

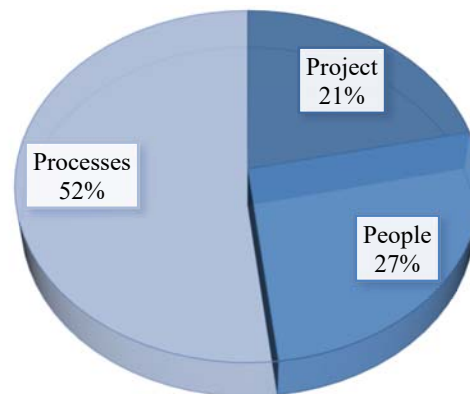
Table no. 4. Dimensioning of the resources necessary to achieve the strategic objectives

Information resources	Material resources	Human resources	Financial resources
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Source: Authors' contribution

The following graphic shows how is going to be allocated the budget to fulfill the strategic objectives proposed in function of the dimensions of the action. A strategic plan for allocation of financial resources is absolutely necessary for the realization of activities and operations proposed.

Figure no. 2 Budget allocation



Source: Authors' contribution

In terms of setting deadlines for the achievement of objectives and progress of strategic options, is the setting of final deadlines, but also intermediate, regarding of the nature, complexity and difficulties of it assumed aims and the strategic options. Periods of time related to achieving the established objectives have to meet certain criteria: (a) have to be as short as possible; (b) have to be realistic; (c) to be correlated in function with the logical relations between the targets and their ability of embodiment (Table 5.)

Table no. 5. Setting the deadlines for achieving the objectives

Objective / action	Time for achieving
• increase the productivity of the staff employed	1 month
• adaptation of equipment and appliances used in daily activities	6 months
• opening a new place of work of the unit	1 year
• developing the client's portfolio	6 months
• improving the customers and employee's satisfaction	1 month
• increase of market share by 5%;	6 months
• establishing efficient relations with the media	6 months
• increasing the level of protection of the environment	1 year
• improving the quality of services provided	6 months

Source: Authors' contribution

The implementation of the strategy is the last stage of the process of improving the company's management and is a complex stage that requires a rigorous organization.

In order to prepare the implementation of the strategy for improving the management, the organization analyzed the realized preparation program and implementation of the strategy (table 6).

Table no. 6. The program of preparation and implementation of the strategy for improving the management of Hotel Zodiac

Measure	Necessary resources	Responsible	Period of application	Remarks
Increase productivity	<ul style="list-style-type: none"> • information resources; • technological resources; • human resources. 	<ul style="list-style-type: none"> • managers 	1 month	<ul style="list-style-type: none"> • using new operation technologies; • employee training; • improving restaurant services.
Opening a new work point	<ul style="list-style-type: none"> • human resources; • financial resources; • managerial resources; • marketing and promotion resources; • material resources. 	<ul style="list-style-type: none"> • managers 	1 year	<ul style="list-style-type: none"> • extensive and quick analysis of the market; • attracting funds; • construction of the space for the new work point; • space arrangement.
Increase share of market	<ul style="list-style-type: none"> • human resources; • material resources 	<ul style="list-style-type: none"> • managers • staff 	6 months	<ul style="list-style-type: none"> • making synthetic and analytical records of expenses; • effective forecasting and planning
Improving the quality of services provided	<ul style="list-style-type: none"> • financial resources; • human resources 	<ul style="list-style-type: none"> • managers 	6 months	<ul style="list-style-type: none"> • purchase of software that facilitate the actions carried out by the personnel unit; • continuous improvement of the quality management system; • improving procedures for organizing and running the main processes at firm level, like

				contracting, sale or supply.
Improving employee satisfaction	<ul style="list-style-type: none"> • human resources; • financial resources. 	<ul style="list-style-type: none"> • managers 	1 month	<ul style="list-style-type: none"> • delegation of tasks; • effective communication; • provision of bonuses; • periodic evaluation; • monthly meetings; • permanent motivation of staff.
Creating a relationship with the media	<ul style="list-style-type: none"> • human resources; • financial resources. 	<ul style="list-style-type: none"> • managers 	6 months	<ul style="list-style-type: none"> • developing media relations; • plan to combat the negative media publications; • transparency of the operations carried out by the organization.

Source: Authors' contribution

The effective application of the necessary changes for the improvement of the management is achieved by finalizing and operationalizing the strategy. Operationalization of the strategic changes requires implementation of changes to fund both in terms of procedural components, as well as the structural ones of the company.

Improving management in the hotel by operational changes of the strategic changes, aimed at the following aspects (table 7):

Table no. 7. Operationalization of the strategic objectives

Aspects	Operations
Technically	<ul style="list-style-type: none"> ➤ use of new operating technologies; ➤ acquisition of programs for staff training; ➤ space for the new work point; ➤ spaces for storage and supply; ➤ purchase of furniture; ➤ spaces useful and modern which are meant to attract customers;
Economical	<ul style="list-style-type: none"> ➤ ensuring the material resources necessary to improve the quality of services; ➤ ensuring the resources necessary opening a new point of work; ➤ promoting a new management principle;
Human Objectives	<ul style="list-style-type: none"> ➤ increasing the number of employees; ➤ provision of bonuses and trainings for employees; ➤ improving the working conditions; ➤ capitalization to maximize the human potential and permanent motivation of it;
Management	<ul style="list-style-type: none"> ➤ developing the mission, vision, values and ethics plays the role of models of cultural excellence; ➤ promoting specific strategic activities to improve relations with suppliers; ➤ making available to the staff the necessary information to achieve the objectives of the organization;
Marketing	<ul style="list-style-type: none"> ➤ online promotion; ➤ media promotion; ➤ launch of efficient promotional campaigns; ➤ elaboration of the marketing plan and promotion strategies.

Source: Authors' contribution

As we can see, the implementation of strategic changes is a complex process, easy to achieve theoretically, but much more difficult to implement. The success of the managerial improvement strategy consists in knowing and mastering all the variables that may appear along the way.

5. Conclusions and recommendations

Due to the fact that the management strategy has an essential role in the design and foundation of the hotel business, being based and organically related to the prediction function, it requires deciphering and anticipating change, the methods that have to be made in the interior of the hotel and the ties of those with the environment, maximum responsiveness to new, dynamism and flexibility in all management functions, so as to avoid inconsistencies between demand and supply, between new and old, ensuring high competitiveness.

Given the important role of the management strategy, perfecting or continuous improvement is absolutely necessary for a hotel that wants to occupy a place as high as possible in the tourism market and to satisfy its customers. To this end, the Zodiac Hotel has developed a plan to improve its management strategy by setting clear and achievable objectives within a reasonable period of time so that it can provide high quality services and motivate and satisfy the staff employed to raise service quality standards.

The proposed objectives will be achieved through their operationalization and the allocation of financial, material, informational and human resources.

In conclusion, the strategy of improving the management of the Zodiac Hotel must go through all the necessary steps to develop the strategy and allocate all the resources at its disposal to satisfy the consumer.

It is recommended to continuously improve the managerial strategy of the hotel by operationalizing the objectives in all its departments. It is also recommended to evaluate the annual activity of the hotel in order to achieve a strategic plan according to the needs that appear to be in line with the market.

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